



Salt Water Disposal

Planning and Development
Department

Purpose

- Overview of Issues Related to Salt Water Disposal Wells Within the City Limits of Fort Worth
- Receipt of Public Comments and Questions
- Recommendations to Fort Worth City Council in March, 2012

Meeting Schedule/Locations

| | |
|-------------|--|
| January 19 | TCC Corporate Training Center 13600 Heritage Parkway, Ste 100 |
| January 26 | TCC South Campus Student Center, Rm. SSTU 2105 5301 Campus Drive |
| February 2 | Lost Creek Country Club 4101 Lost Creek Blvd. |
| February 9 | TCC Opportunity Center 5901 Fitzhugh |
| February 23 | City Council Chambers 1000 Throckmorton Street |

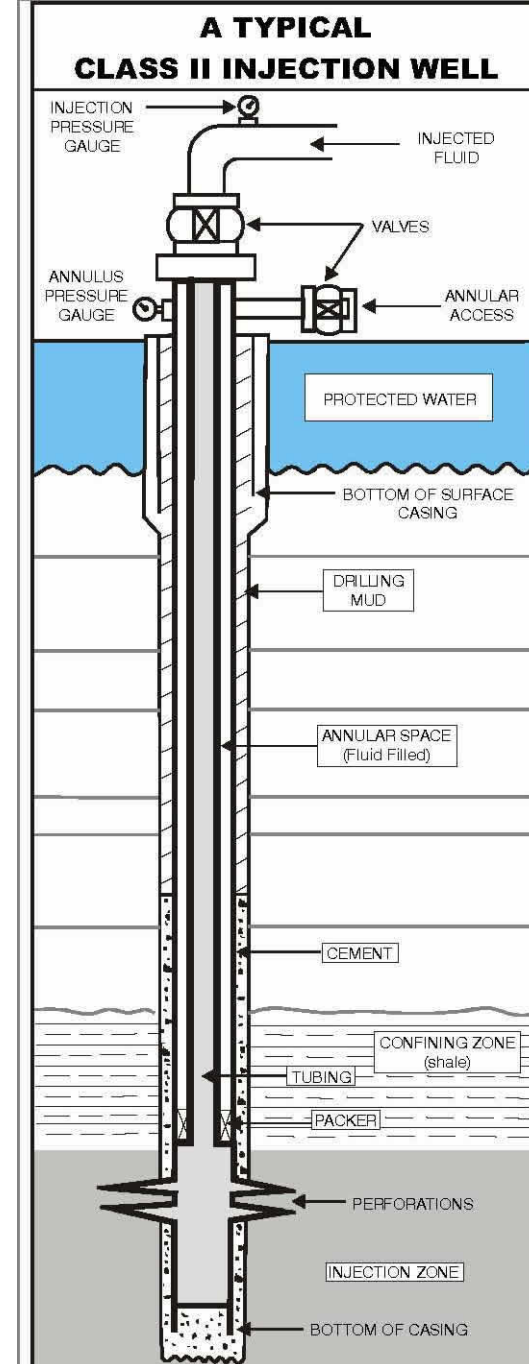
Meetings are from 7 PM to 9 PM

Panel Members

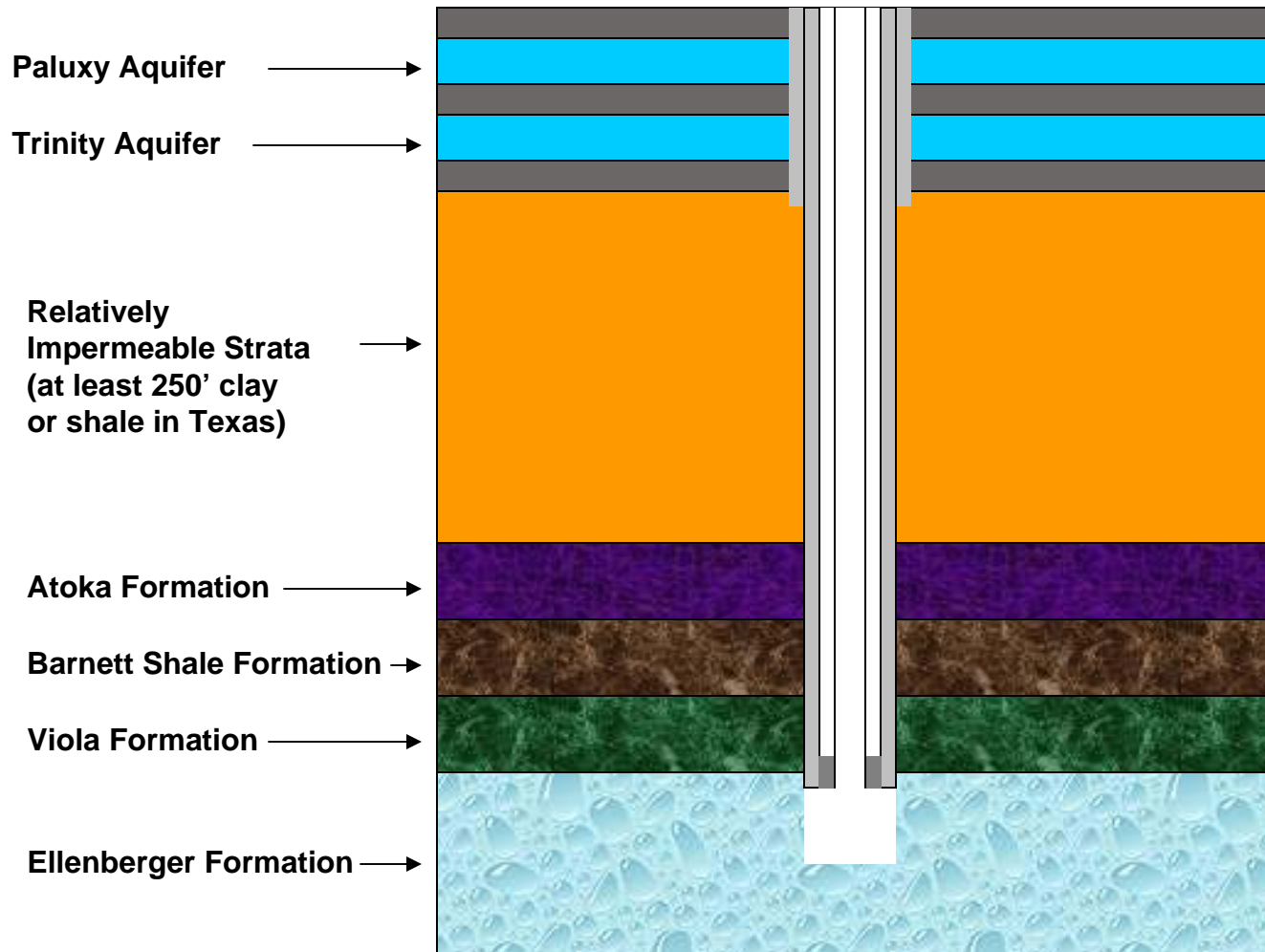
- Libby Willis, President Fort Worth League of Neighborhoods
- Judy Wood, President, Tarrant County League of Women Voters
- Russell Laughlin or Craig Schkade, Hillwood Development Corp.
- Stephen Lindsey, Sr. Director of Government and Community Affairs, Quicksilver Resources

What is It?

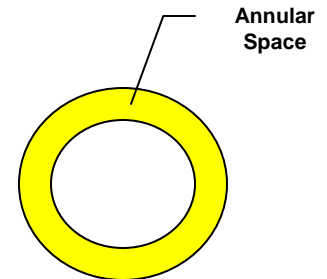
- The Environmental Protection Agency classifies injection wells into six classes
- Class II is used to dispose of salt water and other fluids
- Receiving underground formation is isolated from drinking water layers by impermeable formations



Injection Well

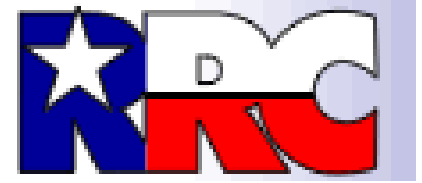


- 1) Surface Casing
- 2) Surface Casing Cement
- 3) Production Casing
- 4) Production Casing Cement
- 5) Packer
- 6) Steel Tubing





Who Regulates



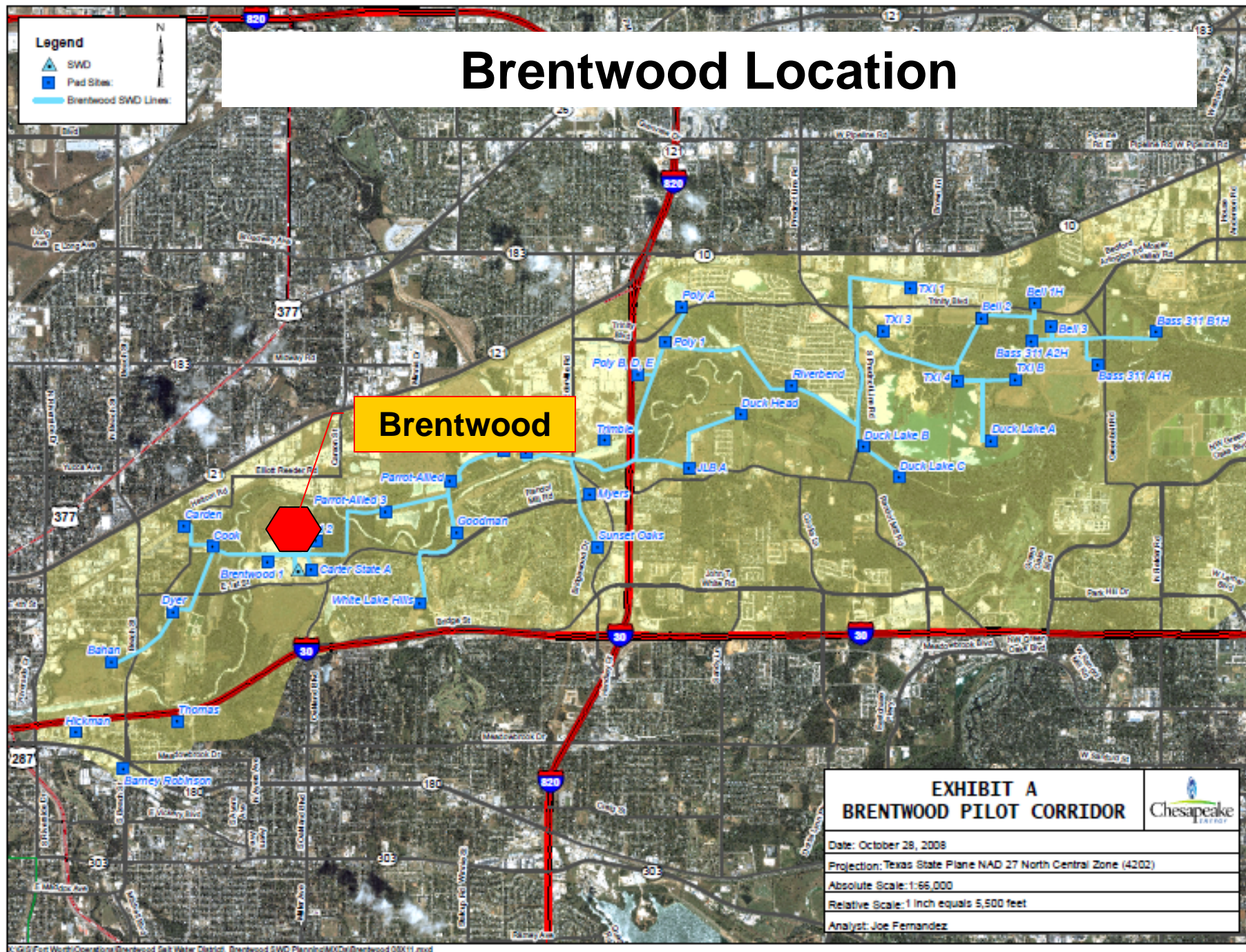
- EPA awarded the RRC “primary enforcement responsibility” over oil and gas injection and disposal wells in 1982
- RRC follows national guidelines under the federal Safe Drinking Water Act for surface and groundwater protection.

Regulatory Background Fort Worth

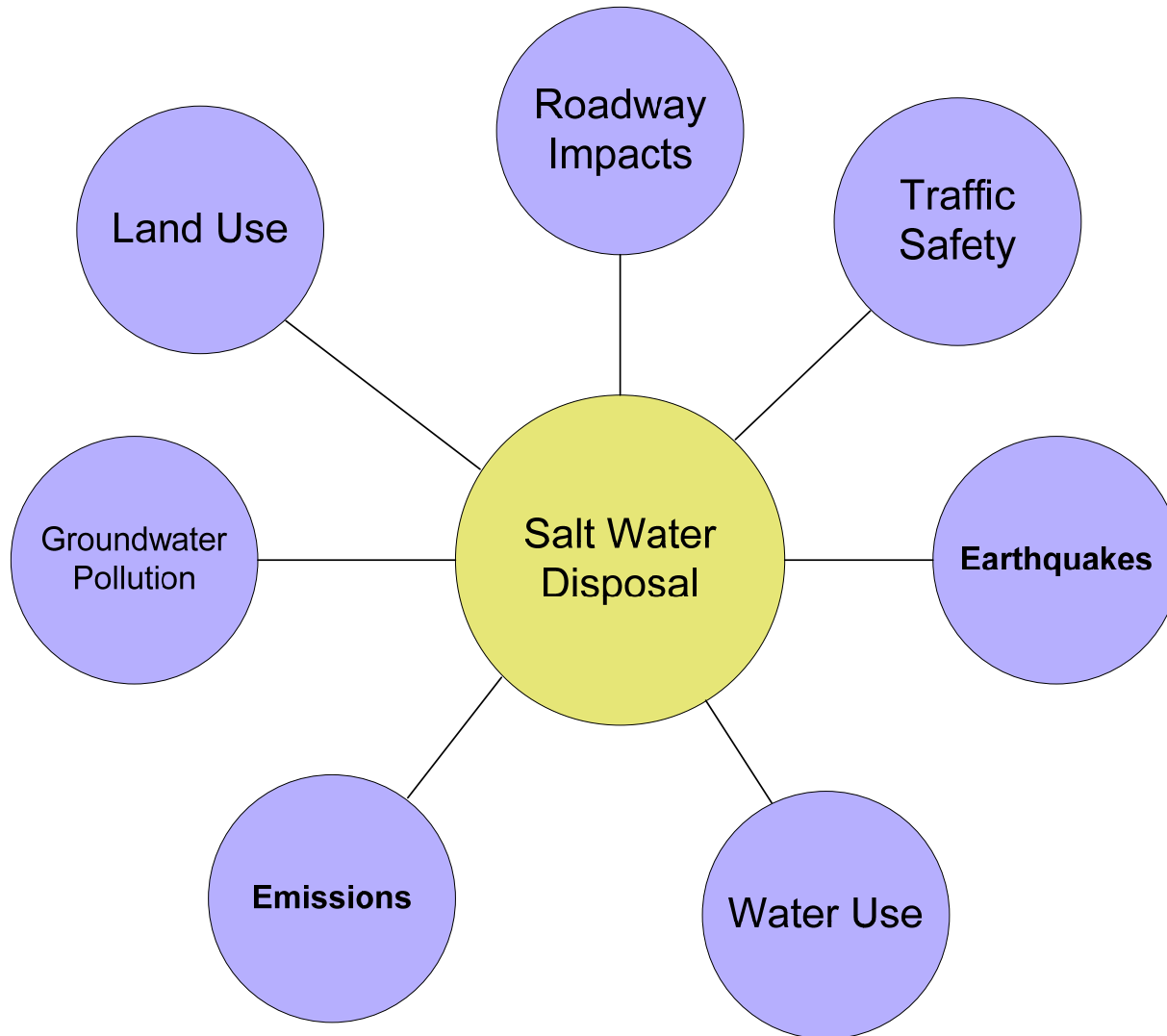


- SWD's, Oil and Gas Wells, Gas Pipelines Regulated by Gas Drilling Ordinance
- Regulatory authority over technical requirements such as casing, depths, etc... is limited
- Moratorium enacted on October 2, 2006, Expires April 30, 2012
- One Active SWD Operating within the City Limits – Brentwood

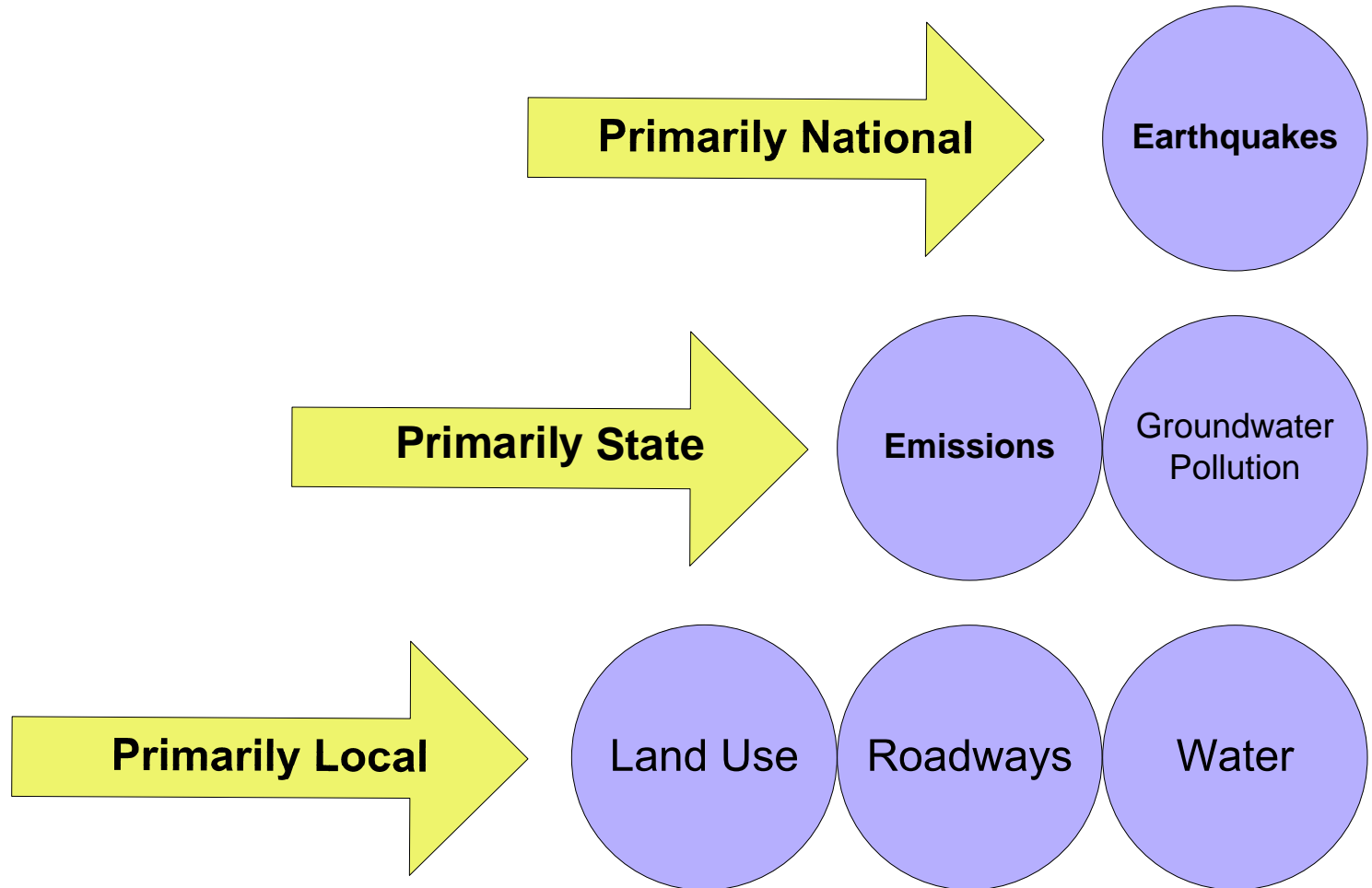
Brentwood Location

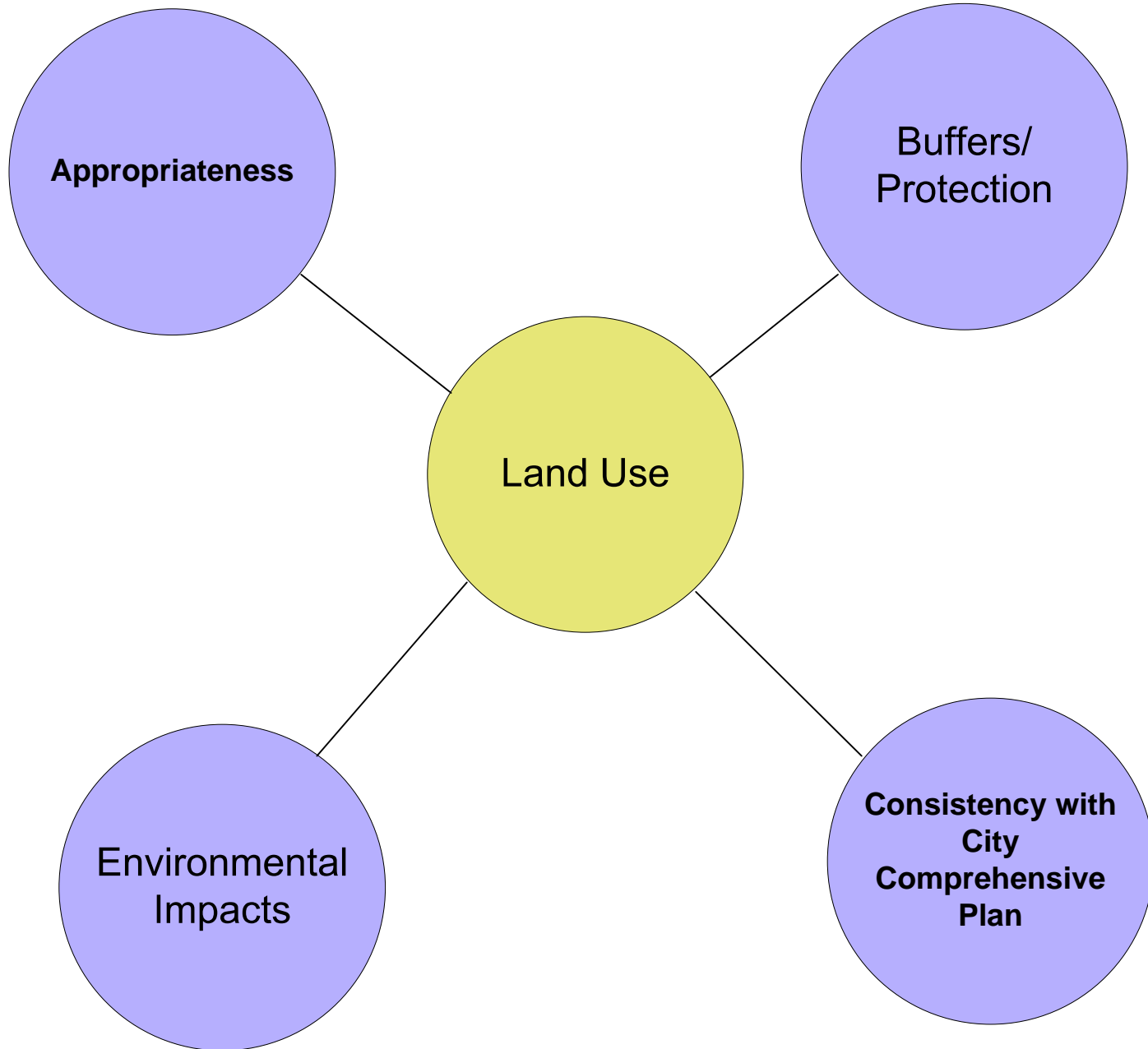


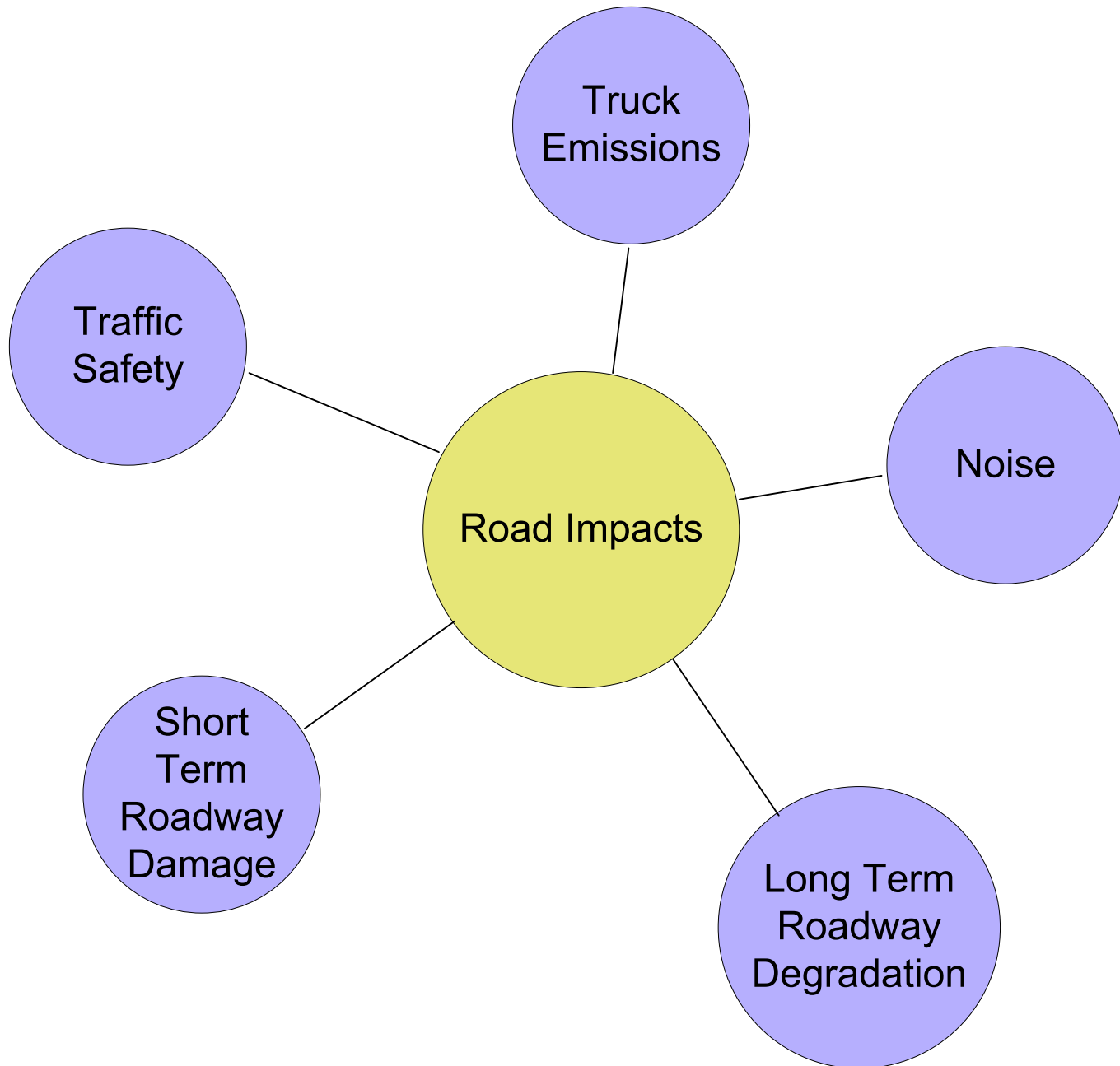
Salt Water Disposal Issues

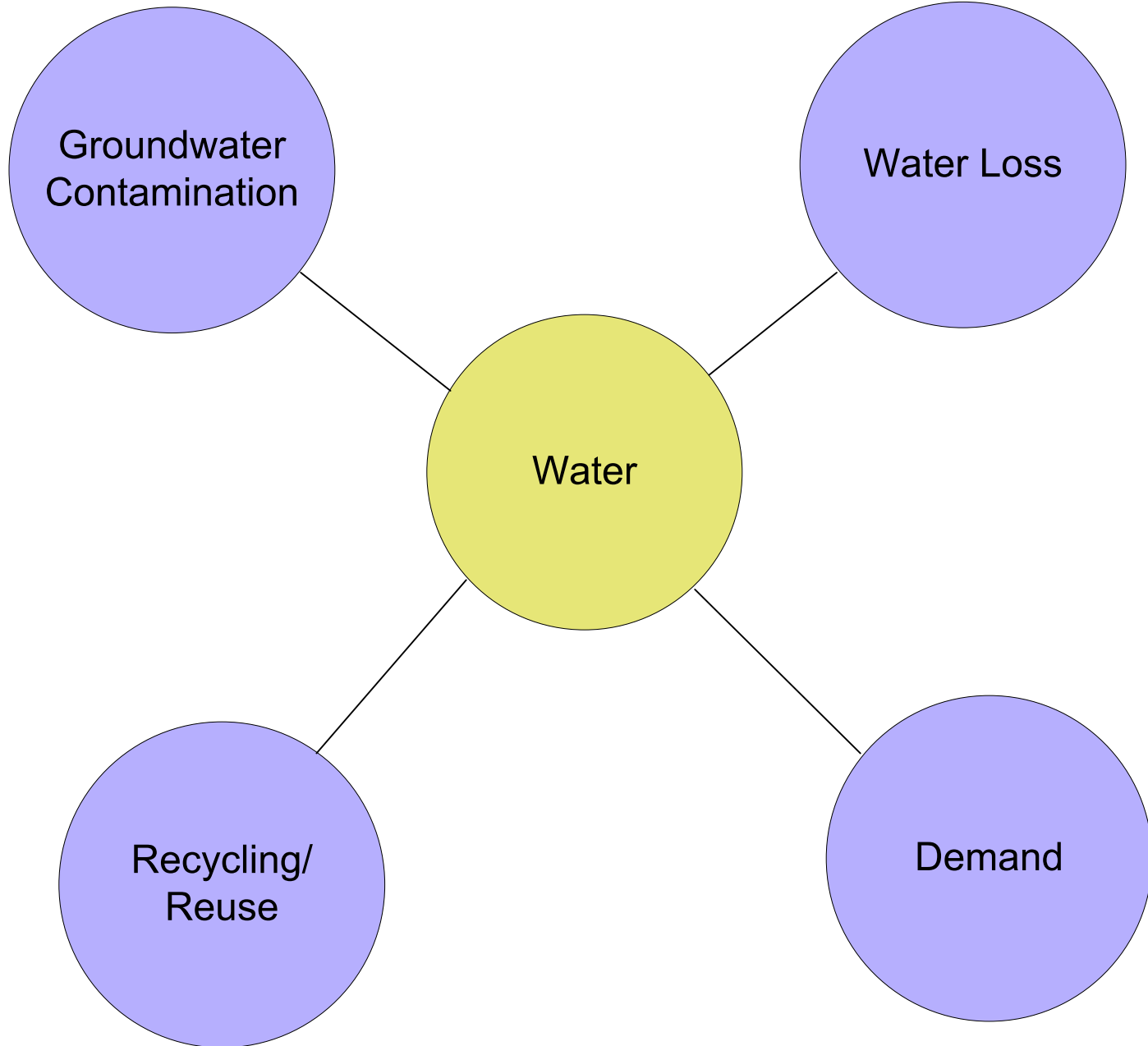


Regulatory Authority - Who Has Control?









Recommended Ordinance Amendments 2011

- Access from industrial collector roadway classification or greater
- Restricted to “J” Medium Industrial, or “K” Heavy Industrial Zoned Districts
- No Protected Use closer than 1,000’ from Salt Water Disposal Well property line or City Council must review.

Recommended Ordinance Amendments

- Sound restrictions consistent with Compressor restrictions
- Salt water pipeline infrastructure exists or is planned to reduce truck traffic on City roadways
- Allowable tanks heights increased from 10' to 30' in “J” Medium Industrial, or “K” Heavy Industrial Zoned Districts

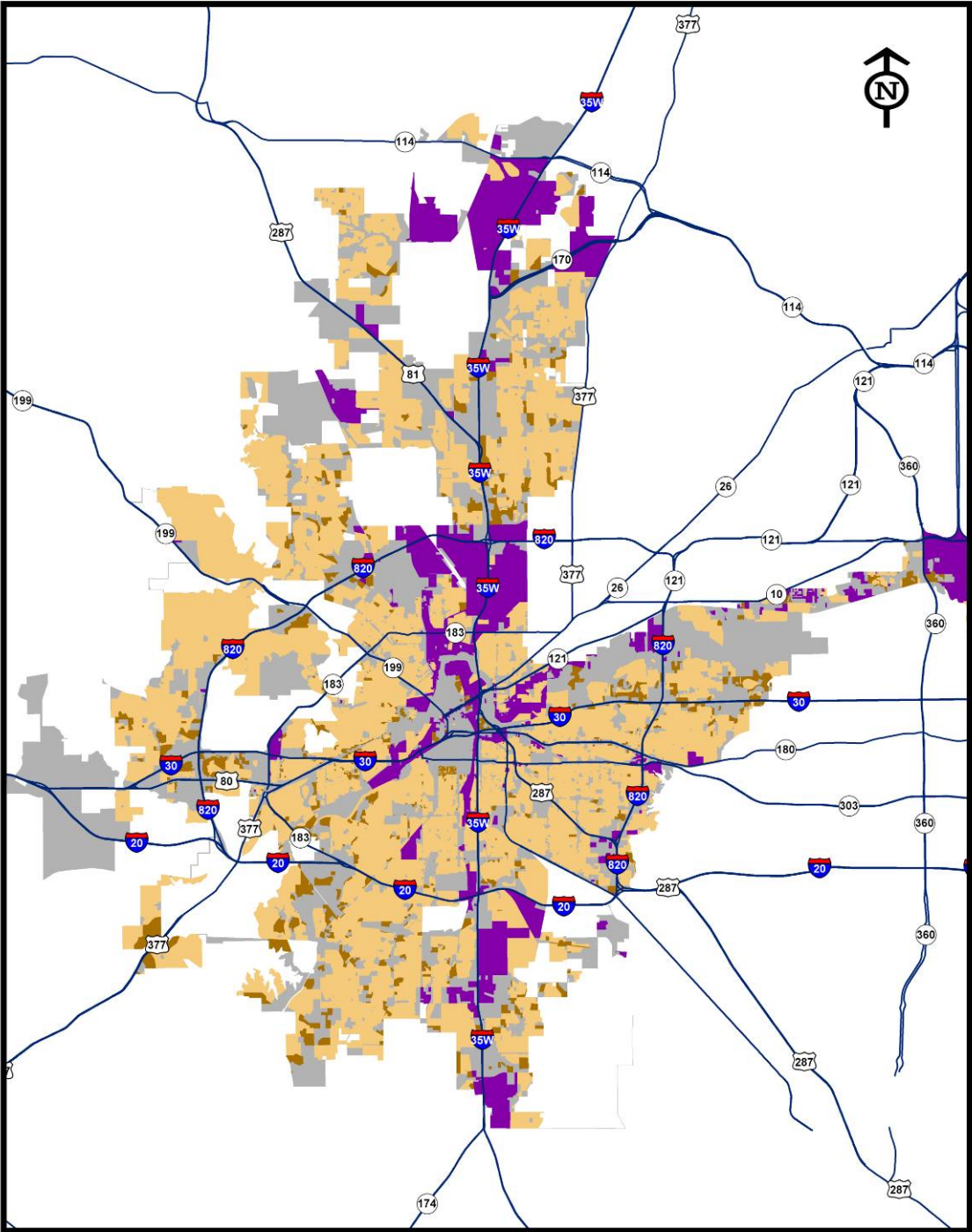
Why Consider SWD's

- 100 gas wells translates to ~20,000 truck trips per year. Therefore, SWD's with City Control:
 - Reduce overall truck traffic from pad sites
 - Reduces emissions
 - Prevents shortened design life of roadway system
 - Increases public safety
 - Reduces dust and overall roadway maintenance costs
 - Provides for appropriate Land Use

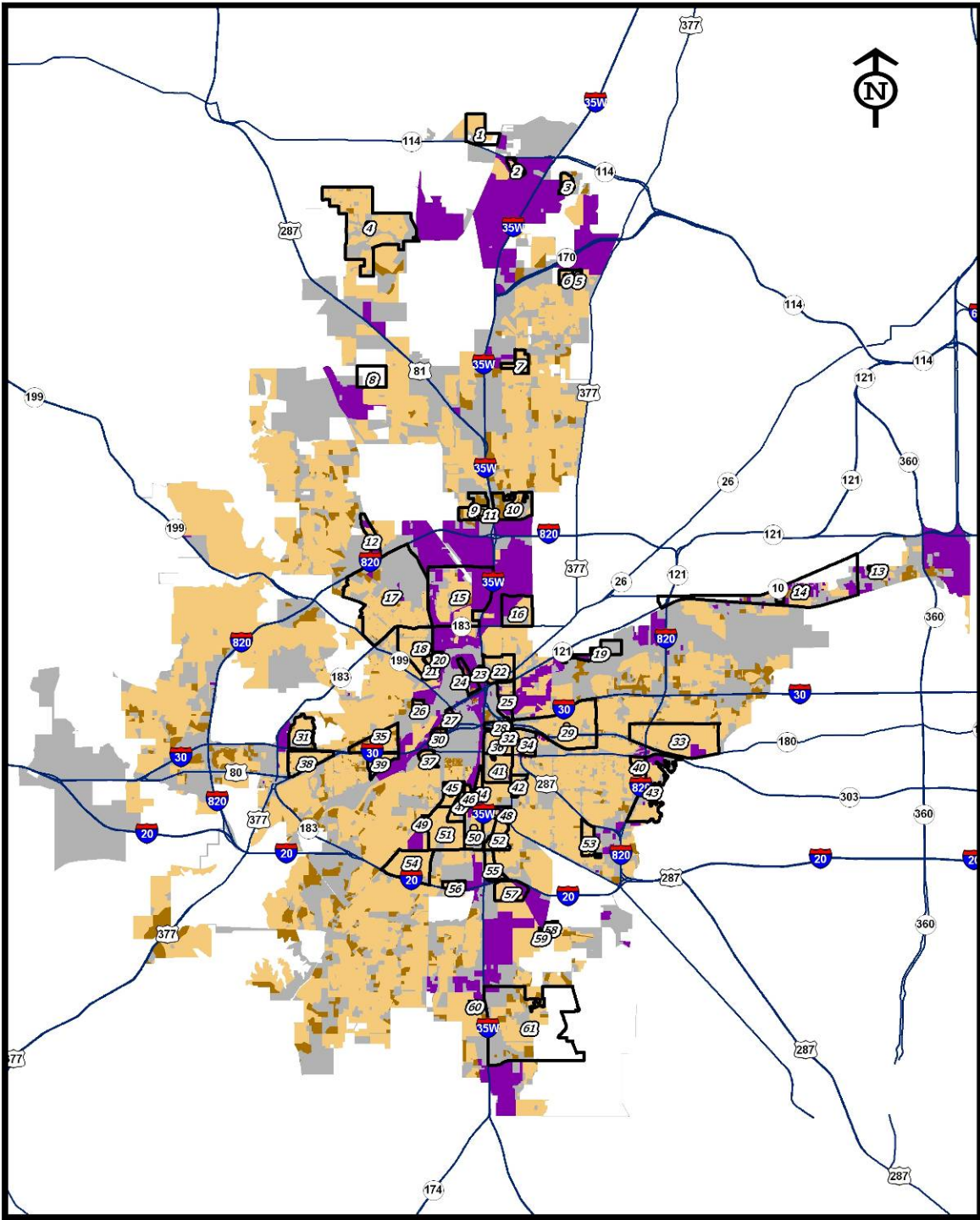
Counties do not have land use regulations such as zoning in Texas.

Generalized Zoning

- One-Family and Low-Density Residential
- Multi-Family Residential
- Heavy Industrial
- Fort Worth City Limits



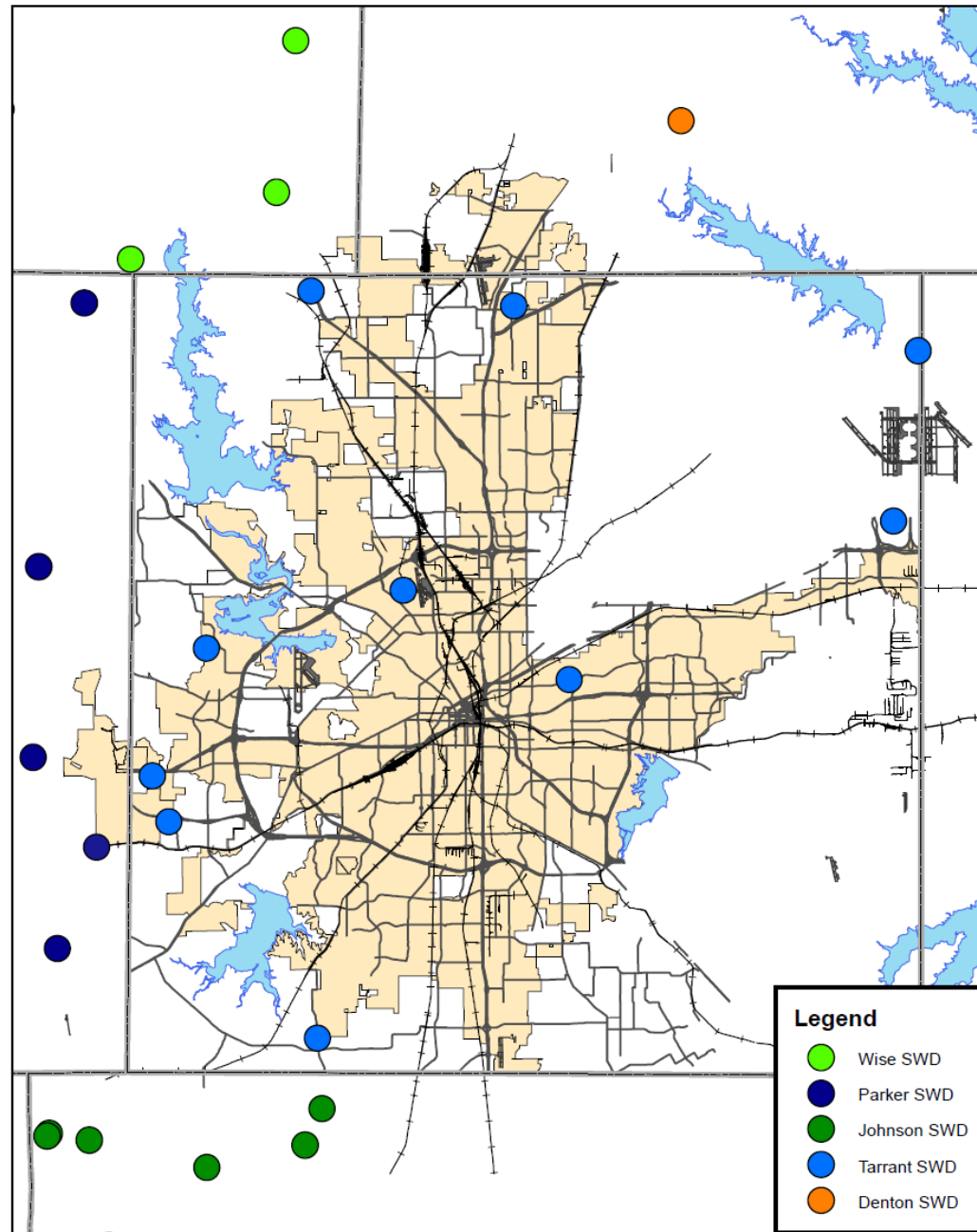
Neighborhood Associations within 1,000 feet of Industrial Zoning



Neighborhood Associations within 1,000 feet of Industrial Zoning

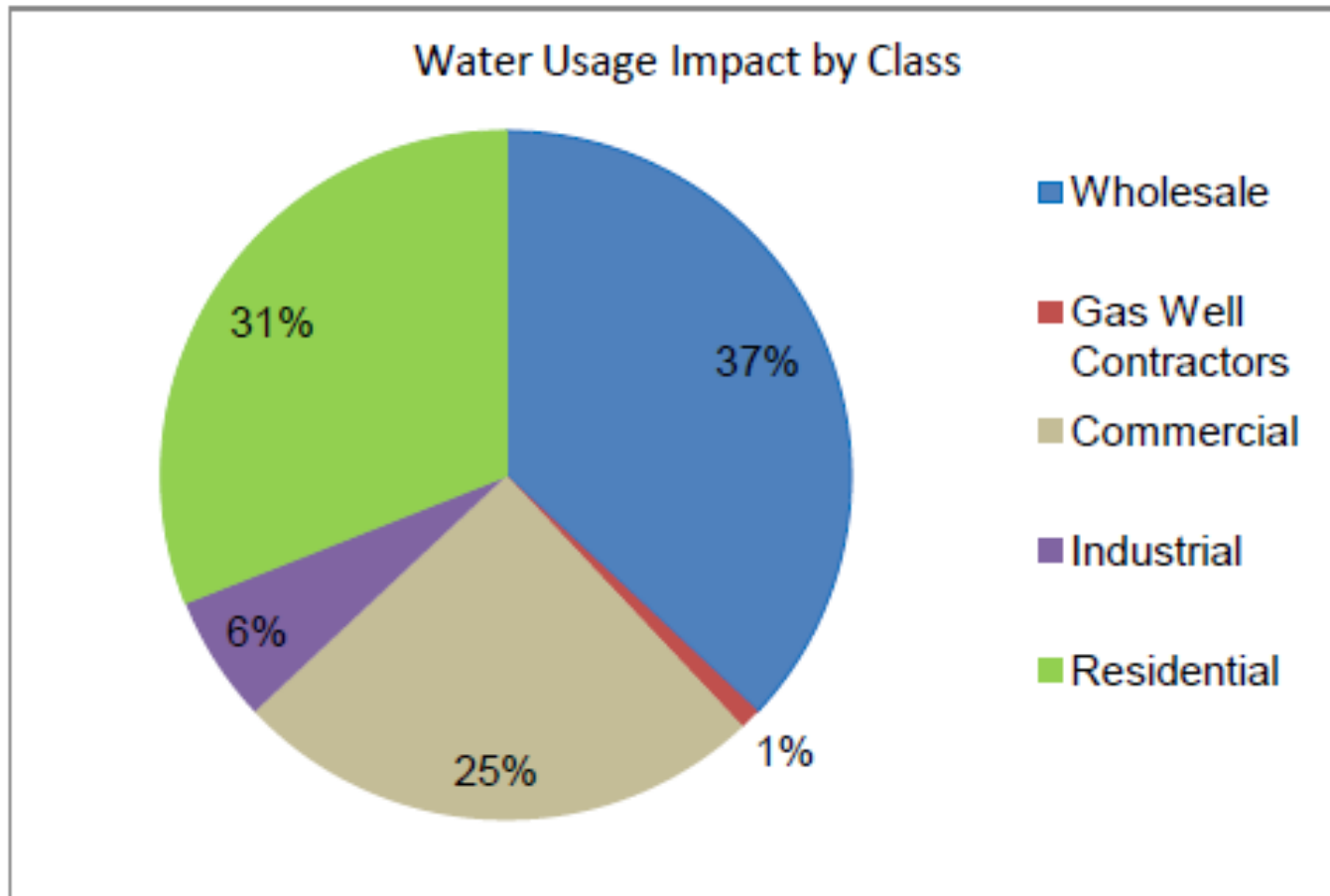
| MAPID | NAME | MAPID | NAME |
|-------|----------------------------------|-------|------------------------------------|
| 1 | Harriet Creek Ranch | 32 | Glenwood Triangle |
| 2 | Beechwood Creeks Residential | 33 | Handley |
| 3 | Chadwick Farms | 34 | Parker Essex Boaz |
| 4 | Sendera Ranch | 35 | Arlington Heights |
| 5 | Rolling Meadows | 36 | Historic Southside |
| 6 | Harvest Ridge | 37 | Mistletoe Heights |
| 7 | Crawford Farms | 38 | Ridglea North Association Inc. |
| 8 | Fossil Creek Estates | 39 | Alamo Heights |
| 9 | Northbrook | 40 | Historic Carver Heights |
| 10 | Fairway Bend | 41 | Hillside Morningside |
| 11 | The Crossing of Fossil Creek | 42 | Southeast Kingdom |
| 12 | Terrace Landing | 43 | Carver Heights East |
| 13 | Stonewood | 44 | West Morningside |
| 14 | Mbsier Valley CAC, Inc. | 45 | Ryan Place Improvement Association |
| 15 | Diamond Hill-Jarvis | 46 | Jennings-May St. Louis |
| 16 | Bonnie Brae | 47 | South Hemphill Heights |
| 17 | Far Greater Northside Historical | 48 | Morningside Park |
| 18 | North Side | 49 | University Court |
| 19 | Garden of Eden | 50 | Worth Heights |
| 20 | Marine Park | 51 | Rosemont |
| 21 | La Nueva Northside | 52 | Carter Park |
| 22 | Scenic Bluff | 53 | Echo Heights |
| 23 | Greenway | 54 | South Hills |
| 24 | Rock Island/Samuels Ave. | 55 | Southland Terrace Neigh Imp Assn |
| 25 | United Riverside | 56 | North Greenbriar |
| 26 | Lindwood | 57 | Highland Hills |
| 27 | Upper West Side | 58 | Alta Mesa East H.E.L.P. |
| 28 | Near East Side | 59 | Quail Run |
| 29 | West Meadowbrook | 60 | Deer Creek North |
| 30 | Sunset Terrace | 61 | Garden Acres Area |
| 31 | Ridgmar | | |

Area SWD

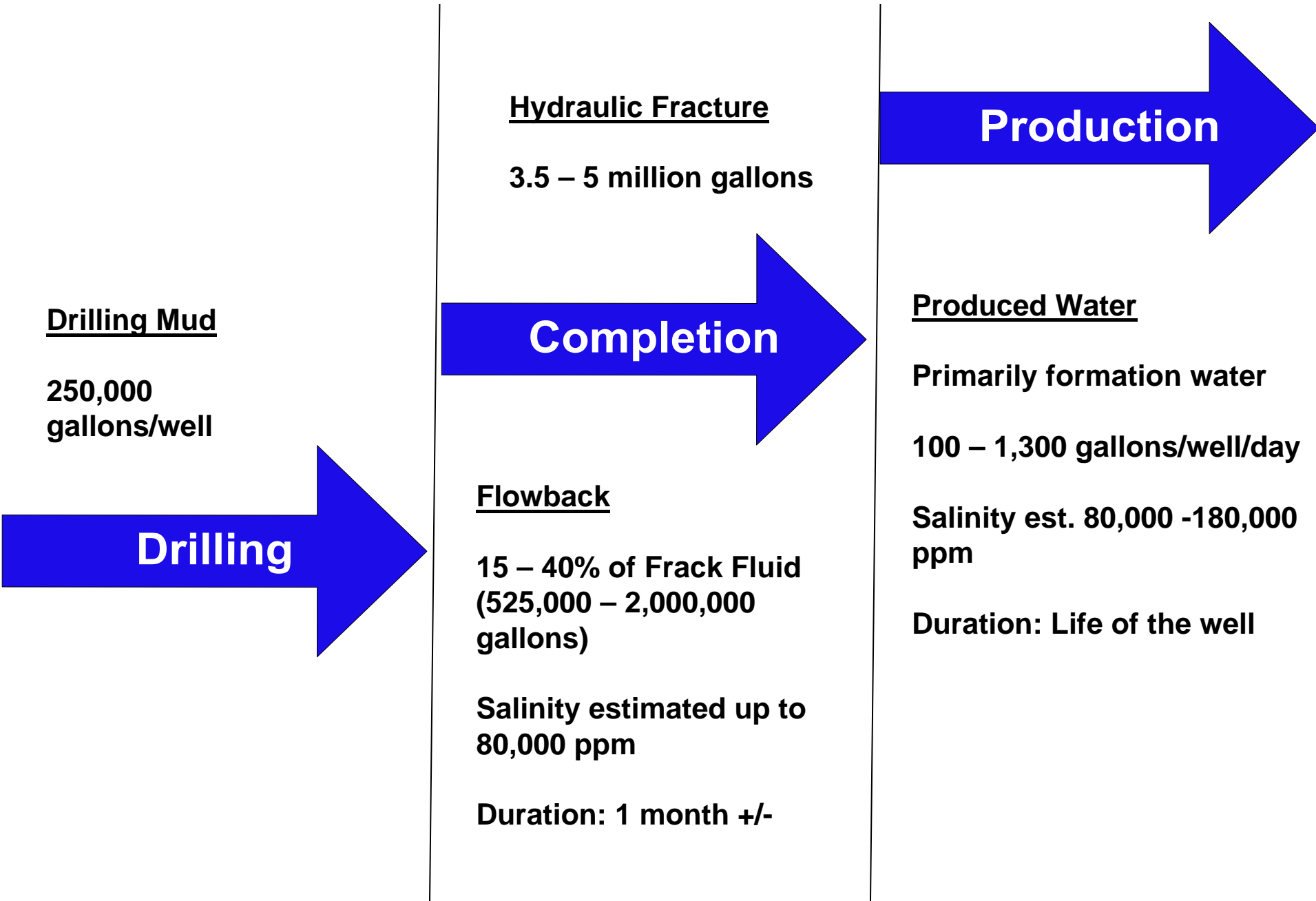


Water Use

City of Fort Worth



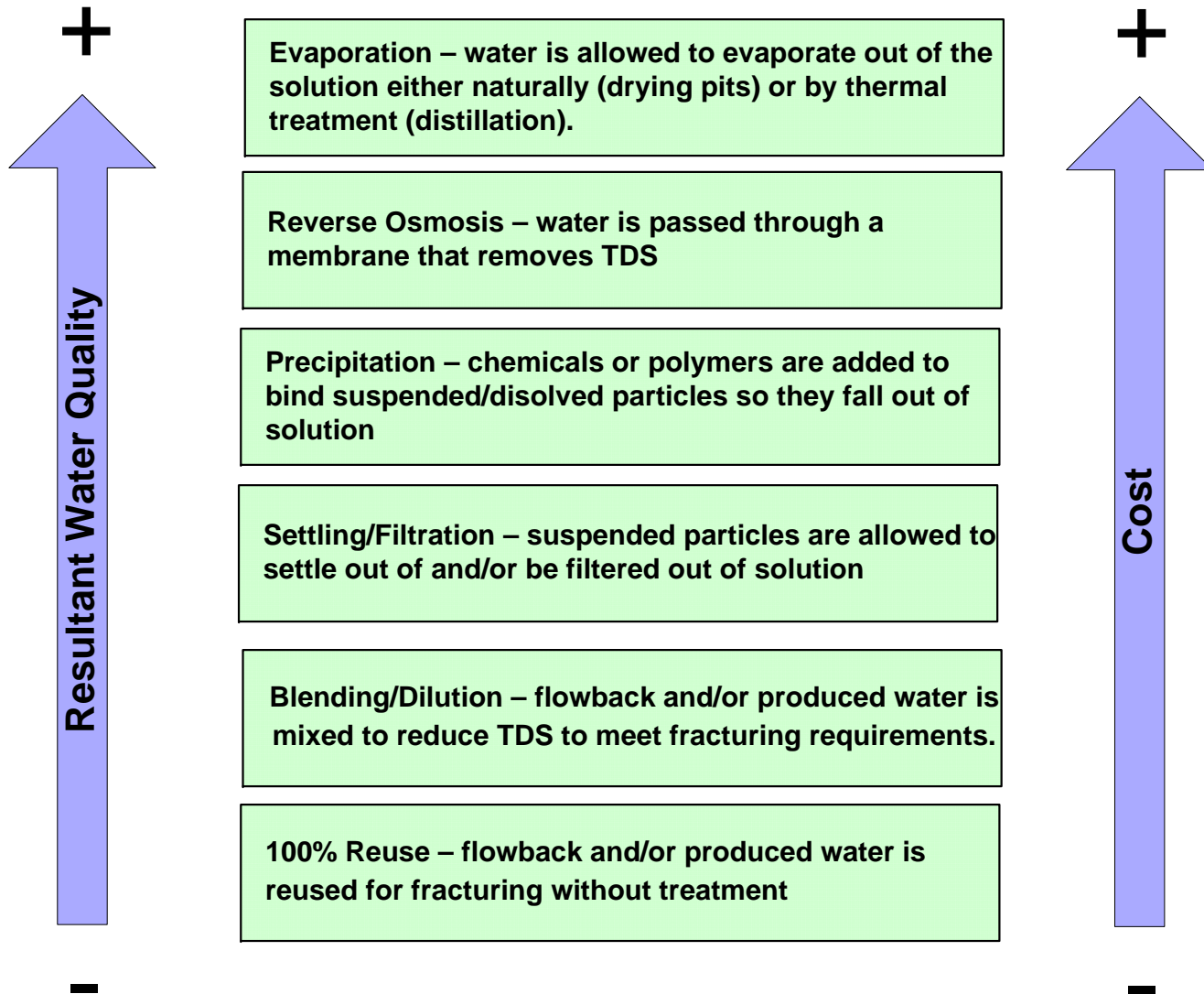
Gas Well Life Cycle Water Use



Alternative Water Sources for Hydraulic Fracturing

- Groundwater
- Surface Water
- Municipal Water
- Municipal/Industry Wastewater
- Produced Water/Flowback
- Other

Water Recycling Technologies



Water Recycling/Reuse Costs ^A

| | |
|-------------------------------|-------------------------|
| • CFW Source Water | \$0.25/bbl ^B |
| • Produced Water Reuse | ? |
| • Dilution | ~\$1.50 – 2.00/bbl |
| • Settling | ~\$2.00 – 2.50/bbl |
| • Filtration – Removes | ~\$2.00 – 3.00/bbl |
| • Precipitation/Sedimentation | ~\$2.50 – 4.00/bbl |
| • Reverse Osmosis | ? |
| • Evaporation/Distillation | ~\$5.50 – 8.00/bbl |

^A Shale Gas Water Management Initiative, Antero Resources, Marcellus Shale, Dec. 1, 2011

^B City of Fort Worth Water Department

Economic Considerations

- Capital Cost of Treatment Facilities
- Capital Cost of SWD
- Actual Treatment Cost
- Disposal of 100% produced/flow back water vs <100%
- Storage/hauling cost
- Piping vs Trucking
- Cost of Source Water

Option 1 – Prohibit SWD's

Pros

- CFW properties within the City's interior have protection

Cons

- Doesn't stop well permits in unregulated county
- SWD's on City's boundary impact CFW citizens without protections

Option 2 – Allow SWD's with Land Use Restrictions

Pros

- Provides protections for wells permitted within the City

Cons

- Doesn't stop well permits in unregulated county
- SWD's on City's boundary impacts CFW citizens without protections

Option 3 – Allow SWD's with Land Use Restrictions & Water Conservation Requirements

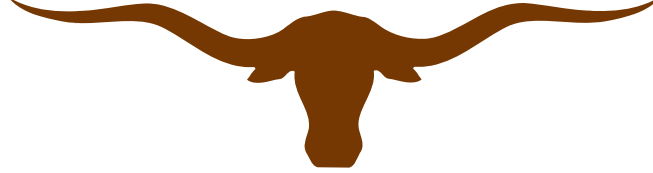
Pros

- Provides protections for wells permitted within the City
- Stewardship of water resources

Cons

- Doesn't stop well permits in unregulated county
- Economics may push permits to county unless incentives are given
- SWD's on City's boundary impacts CFW citizens without protections

FORT WORTH



Thank You